

CORRECTED FISCAL NOTE

SB 1720 - HB 1737

March 24, 1997

SUMMARY OF BILL: Exempts from the sales tax the concept sketch, drawing or model *by an architect, engineer, landscape architect or interior designer* which is used in the developing of an engineering prototype for manufacture or production.

ESTIMATED FISCAL IMPACT:

On March 17, 1997 we issued a fiscal note on this bill which indicated that :

The impact of this bill is a decrease in state of revenues exceeding \$100,000 and a decrease in local government revenues exceeding \$40,000. This estimate assumes that state and local government sales tax revenue would be decreased since such sketches, drawings and models would no longer be taxable. Currently, they are taxed as an item separate from the other services of such professionals.

Based upon additional information provided to us by the Department of Revenue, the estimated fiscal impact of this bill is:

MINIMAL

This estimate assumes that such drawings, sketches and models are not currently taxable.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James A. Davenport, Executive Director

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